

# ORIENTATION TO FINANCIAL MANAGEMENT



## OVERVIEW

Most, if not all, decisions in the world of business impact the financial situation of organizations. In addition, financial investors derive the basic information on which they base their decisions from the financial statements of organizations. It is therefore important to be able to understand how to read these statements, i.e. Income Statement, Statement of Financial Position and Cash Flow Statement, and to know what information is contained in them.

## COURSE DESCRIPTION AND MAIN OBJECTIVE

This course is intended to assist managers whose work experience is not in the financial field to understand and use financial reports when making financial decisions. It serves as an introduction to financial statement analysis. The aim is to provide participants with the basic knowledge to understand and analyze a company's financial statements for decision making purposes. Concepts and terminologies found in published financial statements of companies will be clarified and explained. Participants will also be equipped with financial decision-making tools to analyze a company's profitability, liquidity, and solvency.

## LEARNING OUTCOMES

After completion of the course, participants will be able to understand and identify the components of an income statement, statement of financial position and cash flow statement, and obtain the skills required to evaluate the financial health of an organization by

calculating and interpreting key ratios. They will also be able to apply the knowledge gained to analyze the financial performance of their own organization relative to prior years and the industry.

## CONTENTS

The following topics will be discussed in relation to the financial statements of a company in the UAE, e.g. ADNOC.

**Module 1: Income Statement (also known as the Profit and Loss Account – P&L):** What is a business? Why do businesses prepare financial statements? What is an income statement and what does it show? What do the components of an income statement signify? What is profit and how does it differ from cash? What is the difference between cash and accrual when measuring revenues and expenses?

**Module 2: Statement of Financial Position (also known as a Balance Sheet):** What is a statement of financial position and what does it show? What is the basic accounting equation? What are the various components of a statement of financial position, i.e. assets, liabilities, and equity? What is a capital expenditure and what is a revenue expenditure? How does a current asset differ from a non-current asset? How does a current liability differ from a non-current liability?

**Module 3: Cash Flow Statement:** What is a cash flow statement and what does it show? Why is it important to distinguish between cash and profit? Why do managers need to manage and control cash flows? What are the components of a cash flow statement and what do they signify?

**Module 4: Basic Financial Statement Analysis:** What are the broad categories of ratios and what do they signify? How is a company's profitability and returns evaluated, as well as its liquidity and leverage? What are the limitations of ratio analysis?

## FACULTY MEMBER

Dr. Tariq Elrazaz has held various academic and leadership positions at several higher education institutions in the USA, the UK and the UAE. He has experience in financial accounting, auditing, management accounting and market-based accounting empirical research. He has extensive experience in teaching accounting and finance at post-graduate and under-graduate levels. He is also the acting director for the Masters in Professional Accounting program at the UAEU.

Dr. Elrazaz holds a BSc, MSc and PhD in accounting. He is also a fellow of the higher education academy in the UK (FHEA). He has received various awards for excellence in teaching and regularly presents his research at various accounting conferences. His main research interests lie in the areas of corporate governance, corporate finance, financial accounting, financial reporting quality and earnings management.

Dr. Elrazaz has published several articles in international peer-reviewed journals and he serves as an ad-hoc reviewer for several accounting and finance journals.

## TARGET GROUP

This course is aimed at non-financial managers seeking a basic knowledge of financial management. Delegates are typically from the fields of production, operations, human resources, marketing and ICT who want to understand the information contained in the financial statements of their organizations.

## ADMISSION REQUIREMENTS

It is assumed participants will be able to follow and participate in discussions in English, as well as write assignments on financial management.

## TEACHING METHODS

- Synchronous teaching on MS Teams.
- Class discussions, case studies, articles, and relevant videos.

## CERTIFICATE OPTIONS

Delegates can select to follow either one of the following two approaches:

- Obtain a "Certificate of Successful Completion" by demonstrating their knowledge, understanding and skills of the learning outcomes in practical assessments at the end of the course.
- Obtain a "Certificate of Attendance" and will not be required to complete any assessment.

## DATES

12 hours: TBC 2021 (3 days of 4 hours each)  
Time: 09h00 – 13h00

## FEES

Certificate of Successful Completion – AED3000 (excluding VAT)

Certificate of Attendance – AED2750 (excluding VAT)

## ENQUIRIES

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